

Alternative Minimum Tax Relief

Written by Mike Honda
Tuesday, 13 November 2007 19:00

The House recently passed legislation to provide [Alternative Minimum Tax \(AMT\) relief](#) for a projected 23 million households in 2007. Nationally, our 15 th District is consistently among the top 25 AMT impacted districts. In 2005, over 24,000 households in our district were afflicted by the higher AMT burden. This number is expected to increase a staggering 312%, to nearly 100,000 homes for 2007. To address this looming crisis, the legislation (H.R. 3996) will save a projected 75,000 of our district households from AMT.

I also applaud the inclusion and extension of other tax provisions that will help our district families and businesses, including:

- extension and modification of AMT credit allowance against incentive stock options (ISOs);
- extend the research and development tax credit by one year;
- increase eligibility for refundable child tax credit;
- provide additional standard deduction for State and local real property taxes; and
- extend the deduction for qualified education expenses.

I am, however, concerned about some possible unintended impact on investments to start-up companies such as our biotechnology and nanotechnology industries. While improvements are still needed and expected during conference, I was proud to support this bill.